THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) National Agricultural Insurance Scheme (NAIS) has been implemented in Andhra Pradesh from Kharif 2000 onwards. The kharif crops covered under the scheme are black gram, castor, red gram, green gram, groundnut, Jowar, maize, paddy, Bajra, soyabean, sunflower, sugarcane, cotton, banana & chilly and paddy, jowar, maize, bengal gram, green gram, groundnut, black gram, sunflower, onion, red chilly and mango in Rabi season. About 121 lakh farmers and an area of 185 lakh hect. has been covered till Kharif 2006 under the scheme in Andhra Pradesh.

(b) There are two categories of chargeable premium rates under NAIS. Flat rates of premium are charged for insuring food and oilseeds crops. There are fixed keeping in view the risk involved and the paying capacity of farmers. Actuarial rates of premium are charged for insuring annual commercial and horticultural crops. These rates are calculated on the basis of variability in the yield.

(c) The financial liabilities on account of claims, premium subsidy, bank service charges and administrative & operational expenses are shared between the Centre and State Governments in the ratio of 50:50.

(d) and (e) Year-wise claims paid and premium collected in Andhra Pradesh are given below:-

(Rs. in lakhs)

Year	Premium Collected	Claims Paid
2003-04	6083.96	21491.66
2004-05	10598.31	9296.85
2005-06*	10726.84	29102.32

*Claims in respect of 2005-06 are in the process of settlement.

Functioning of CACP

1187. SHRI C. RAMACHANDRAIAH: Will the Minister of AGRICULTURE be pleased to state:

(a) the role of Commission for Agricultural Costs and Prices in fixing the prices of foodgrains;

(b) whether the said Commission is functioning properly;

(c) whether Government are ignoring the recommendations of the said Commission;

(d) if so, the reasons therefor;

(e) the steps taken by Government to provide remunerative prices to the farmers; and

(f) the success achieved by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) and (b) The Commission for Agricultural Costs and Prices is entrusted with the task to advise on recommendations of Minimum Support Prices (MSPs) of agricultural commodities, including foodgrains, keeping in view (i) the need to provide incentive to the producer for adopting improved technology and for developing a production pattern broadly in the light of national requirements; (ii) the need to ensure rational utilization of land, water and other production resources; and (iii) the likely effect of the price policy on the rest of economy, particularly on the cost of living, level of wages, industrial cost structure, etc.

Apart from making a comprehensive overview of the entire structure of the economy of a particular commodity, the CACP considers the cost of production, changes in input prices, input/output price parity, trends in market prices, demand and supply situation, inter-crop price parity, effect on industrial cost structure, effect on general price level, effect on cost of living, internatinoal market price situation, parity between prices paid and prices received by farmers (Terms of Trade) while formulating its recommendations on price policy. Besides, the Commission undertakes field visits for close interaction with farmers in different parts of the country.

(c) and (d) By and large, the Government concurs with the recommendations but at times improves upon the recommendations. A statement indicating the MSPs of foodgrains recommended by CACP and fixed by Government since 2002-03 is enclosed in Statement-I (*See* below).

(e) and (f) the Government announces each season Minimum Support Prices (MSPs) for major agricultural commodities and organizes purchase operations through public and cooperatives agencies such as Food Corporation of India (FCI), Jute Corporation of India (JCI), Cotton Corporation of India (CCI), National Agricultural Cooperative Marketing Federation (NAFED) and Tobacco Board, besides other agencies designated by the

State Governments. The designated Central nodal agencies are required to intervene in the market for undertaking purchase operations in case the prices fall below the MSPs fixed by the Government.

There has been massive procurement of agricultural commodities under price support scheme in recent years indicating the success of Government policy in this regard. The details of purchases of foodgrains by the Government agencies under the price support scheme are enclosed in Statement-II.

Statement-I

Minimum Support Prices recommended by CACP and announced by Government for Foodgrains According to Crop Year)

(Rupees per quintal)

Commodity		2002-03	Special Drought Relief Price	2003-04	2004-05	2005-06	2006-07
Paddy	R	530	20	550	560	560	570
Common	A	530	20	550	560	570	580
Grade A	R	560	20	580	590	600	600
	A	560	20	580	590	600	610
Jowar	R	485	5	505	515	525	540
	A	485	5	505	515	525	540
Bajra	R	485	10	505	515	525	540
	A	485	10	505	515	525	540
Maize	R	485	5	505	525	540	540
	A	485	5	505	525	540	540
Ragi	R	485	5	505	515	525	540
	A	485	5	505	515	525	540
Wheat	R	620	10	630	640	650	
	A	620	10	630	640	650	
Barley	R	500	5	525	540	550	
	A	500	5	525	540	550	

R-Recommended

A-Announced

Statement-II

Procurement of Foodgrains from the year 2002-03 to 2006-07

(in lakh tonnes)

Year	Rice (October-September)	Coarse Grains (October-September)	Wheat (April-March)
2002-03	164.11	0.60	190.25
2003-04	228.28	6.51	158.01
2004-05	246.84	8.27	167.96
2005-06	273.98	11.44	147.87
	(upto 28.07.2006)	(upto 28.07.2006)	
2006-07			92.25 (upto 25.07.2006)

Enhancing NDRI's credibility

1188. SHRI JANARDHANA POOJARY: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that for the last over a decade, no Dairy Technologist has been recruited in NDRI, Karnal, Haryana;

(b) if so, whether an impression in gaining ground among the students that there is no employment opportunity for the Research Scholars passing out with Ph.D degree in Dairy Technology within and outside NDRI, Karnal; and

(c) if so, the details thereof and measures taken by Government to enhance NDRI's credibility so as to boost the employment prospects in the market for their students holding doctorate degree in Dairy Technology?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) and (b) No, Sir.